Work Options for Women dba Work Options

Financial Statements

For the Year Ended December 31, 2025
(With Comparative Totals for the Year Ended December 31, 2024)

OLSON & REYES SAUERWEIN
Certified Public Accountants

Work Options for Women dba Work Options

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OLSON REYES SAUERWEIN
Certified Public Accountants

Independent Auditor's Report

To the Board of Directors
Work Options for Women dba Work Options

Opinion
We have audited the accompanying financial statements of Work Options for Women dba Work Options (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Work Options for Women dba Work Options as of December 31, 2025, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Work Options for Women dba Work Options and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Work Options for Women dba Work Options's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

OLSON & REYES SAUERWEIN

Certified Public Accountants

Independent Auditor's Report

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Work Options for Women dba Work Options's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Work Options for Women dba Work Options's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information
The financial statements of Work Options for Women dba Work Options as of and for the year ended December 31, 2024, were audited by us and in our report dated February 14, 2025, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Olson, Reyes & Sauerwein, LLC

Olson, Reyes and Sauerwein, LLC

Centennial, Colorado
May 18, 2026

Work Options for Women dba Work Options

Statements of Financial Position

December 31, 2025

(With Comparative Totals as of December 31, 2024)

		2025		2024
ASSETS				
Cash	$	327,251	$	157,594
Government grants receivable		275,101		132,673
Contributions and grants receivable, net of allowance for doubtful accounts of $10,000 for 2025 and $0 for 2024		53,440		83,962
Inventory		10,657		13,272
Prepaid expenses and deposits		25,775		5,963
Property and equipment, net		81,187		83,249
Right-of-use asset		66,983		72,078
TOTAL ASSETS	$	840,394	$	548,791
LIABILITIES AND NET ASSETS				
Liabilities				
Accounts payable	$	43,728	$	51,543
Accrued liabilities		107,446		77,166
Operating lease liability		69,406		77,578
Notes payable		41,113		50,000
Total Liabilities		261,693		256,287
Net Assets				
Without donor restrictions				
Undesignated		213,261		(103,458)
Board designated		312,000		312,000
Total Net Assets Without Donor Restrictions		525,261		208,542
With donor restrictions		53,440		83,962
Total Net Assets		578,701		292,504
TOTAL LIABILITIES AND NET ASSETS	$	840,394	$	548,791

See Notes to the Financial Statements

Work Options for Women dba Work Options

Statements of Activities

For the Year Ended December 31, 2025

(With Comparative Totals for the Year Ended December 31, 2024)

	Without Donor Restrictions	With Donor Restrictions	2025	2024
Support and Revenue				
Contributions and grants	$ 1,190,655	$ 378,440	$ 1,569,095	$ 720,308
Government grants	1,038,387	-	1,038,387	773,142
Food service	147,794	-	147,794	420,884
Interest and other income	4,664	-	4,664	8,885
In-kind contributions	11,180	-	11,180	12,000
Net assets released from restrictions	408,962	(408,962)	-	-
Total Support and Revenue	2,801,642	(30,522)	2,771,120	1,935,219
Expenses				
Program Services				
Helping Hen	2,066,548	-	2,066,548	1,877,139
Support Services				
Management and general	267,965	-	267,965	206,396
Fundraising	150,410	-	150,410	116,097
Total Support Services	418,375	-	418,375	322,493
Total Expenses	2,484,923	-	2,484,923	2,199,632
Change in Net Assets	316,719	(30,522)	286,197	(264,413)
Net Assets - Beginning of Year	208,542	83,962	292,504	556,917
NET ASSETS - END OF YEAR	$ 525,261	$ 53,440	$ 578,701	$ 292,504

See Notes to the Financial Statements

Work Options for Women dba Work Options

Statements of Functional Expenses

For the Year Ended December 31, 2025

(With Comparative Totals for the Year Ended December 31, 2024)

	Program Services	Supporting Services			
	Helping Hen	Management and General	Fund-Raising	Total 2025	Total 2024
Salaries and wages	$ 945,844	$ 110,629	$ 47,412	$ 1,103,885	$ 1,020,529
Payroll taxes and benefits	225,082	27,804	11,916	264,802	228,553
Total Personnel Expenses	1,170,926	138,433	59,328	1,368,687	1,249,082
Food and beverage	284,662	-	-	284,662	292,658
Student training and incentives	190,778	-	-	190,778	236,242
Professional fees	64,578	78,371	75,782	218,731	123,837
Rent	155,026	19,150	8,207	182,383	89,824
Café supplies	66,578	-	-	66,578	39,906
Depreciation	29,728	3,672	1,574	34,974	35,268
Computer and software	25,072	3,097	1,327	29,496	7,930
Insurance	21,878	2,703	1,158	25,739	25,238
Office supplies and expenses	20,495	2,532	1,085	24,112	45,132
Vehicles and maintenance	9,697	1,198	513	11,408	16,295
Advertising and marketing	8,622	1,065	456	10,143	19,139
Bad debt	-	10,000	-	10,000	-
Utilities	6,888	851	365	8,104	6,462
Travel, meals and entertainment	5,966	737	316	7,019	5,079
Bank and merchant fees	5,654	697	299	6,650	6,602
Interest	-	5,459	-	5,459	938
TOTAL EXPENSES	$ 2,066,548	$ 267,965	$ 150,410	$ 2,484,923	$ 2,199,632

Work Options for Women dba Work Options

Statements of Cash Flows

For the Year Ended December 31, 2025

(With Comparative Totals for the Year Ended December 31, 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 286,197	$ (264,413)
Adjustment to Reconcile Change in Net Assets to Net Cash Flows from Operating Activities		
Depreciation	34,974	35,268
Noncash lease expense	66,329	92,290
Bad debt	10,000	-
Change in Operating Assets and Liabilities		
(Increase) Decrease in:		
Government grants receivable	(142,428)	77,427
Contributions and grants receivable	20,522	49,904
Inventory	2,614	(2,900)
Prepaid expenses and deposits	(19,812)	8,692
Increase (Decrease) in:		
Accounts payable	(7,815)	(10,000)
Accrued liabilities	30,280	(11,697)
Operating lease liability	(69,406)	(87,291)
Net Cash Flows from Operating Activities	211,455	(112,720)
CASH FLOWS FROM INVESTING ACTIVITIES		
(Purchase) of property and equipment	(32,911)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from notes payable	100,000	50,000
(Repayments) of notes payable	(108,887)	-
Proceeds from line of credit	119,000	-
(Repayments) of line of credit	(119,000)	-
Net Cash Flows from Financing Activities	(8,887)	50,000
Net Increase (Decrease) in Cash	169,657	(62,720)
Cash - Beginning of Year	157,594	220,314
CASH - END OF YEAR	$ 327,251	$ 157,594
Supplemental Cash Flow Disclosures		
Interest paid	$ 5,459	$ 938

See Notes to the Financial Statements

Work Options for Women dba Work Options

Notes to the Financial Statements

Note 1 - Significant Accounting Policies

Nature of Organization

Work Options for Women, doing business as Work Options ("Work Options" or the "Organization"), was incorporated on July 25, 1996 under the nonprofit statutes of the State of Colorado. The Organization has renewed its mission in 2025 to reflect the dual purpose. Work Option's mission is to nourish communities by using food as a force for good, feeding individuals facing hunger and training people from historically excluded backgrounds to build stable, purpose driven culinary and hospitality careers. Its vision is a future in which no one experiences hunger, employment barriers are dismantled, and every individual has the opportunity to heal and thrive.

During 2025, Work Options provided culinary job training and employment services to 230 adults from historically excluded backgrounds, many of whom experienced justice involvement, homelessness, trauma, or long term unemployment. Of those enrolled, 210 participants (91%) successfully completed the training program, exceeding established completion targets. Following program completion, 148 graduates (70%) secured employment in the culinary and hospitality sector, and 103 (69%) of placed graduates remained employed six months later, demonstrating sustained workforce engagement. Participants earned a total of 1,537 industry recognized certifications, including ServSafe Food Handler, Restaurant Ready, and allergen awareness credentials. Program delivery included 5,980 hours of job readiness instruction, 25,300 hours of hands-on kitchen training, and 2,806 hours of individualized case management support.

In addition to workforce outcomes, participants contributed directly to community food security by preparing 111,410 nutritious meals for individuals and families experiencing food insecurity and housing instability. Of these meals, 109,000 fully prepared meals were delivered to residents of Colorado Village Collaborative Micro Communities at the Monroe and Steele sites, providing three meals per day to individuals transitioning out of homelessness. An additional 2,260 meals were provided to Work Options program participants, all of whom experience food insecurity, ensuring daily access to breakfast and lunch during training and employment preparation. Work Options is located at the Mosaic Campus, which also serves Denver Public Schools and low income seniors and families. Work Options launched its first Thanksgiving community meal in 2025, serving 150 neighbors at no cost. The Organization plans to continue this initiative as an annual community tradition, with the goal of serving 250 community members in 2026.

The Organization receives contributions and/or grants from foundations and holds contracts with various governmental agencies providing both meal and training services.

Note 1 - Significant Accounting Policies (continued)

Basis of Presentation

The financial statements of the Organization are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (GAAP).

Classification of Net Assets

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets of the Organization, and changes therein, are classified and reported as follows:

Net assets without donor restrictions: Net assets available for use in general operations and not subject to donor restrictions. The governing Board has designated from net assets without donor restrictions, funds to be held in operating, fixed asset replacement and fixed asset acquisition reserves.

Net assets with donor restrictions: Net assets subject to donor or certain grantor imposed restrictions. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time, or other events specified by the donor. Other explicit donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, or when the stipulated purpose for which the resource was restricted has been fulfilled.

Fair Value of Financial Instruments

The Organization's financial instruments include cash, receivables, accounts payable, and long-term borrowings. The fair values of these financial instruments approximate their carrying amounts based on current market indicators, such as prevailing interest rates and their nearness to maturity.

Income Taxes

The Organization is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from activities not directly related to the Organization's tax exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(ii) and has been classified as an organization other than a private foundation under Section 509(a)(1).

The Organization applies a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in a tax return. After evaluating the tax positions taken, none are considered to be uncertain, therefore, no amounts have been recognized as of December 31, 2025 and 2024.

Note 1 - Significant Accounting Policies (continued)

Prior-Year Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. The prior-year presentation does not include sufficient detail to constitute presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the financial statements for the year ended December 31, 2024, from which the summarized information was derived.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from the estimates.

Contributions and Grants Receivable

Contributions and grants receivable are recognized as revenue in the period awarded and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Contributions and grants receivable are recognized at the net realizable value if expected to be collected within one year, and at fair value if expected to be collected in greater than one year. As of December 31, 2025 and 2024, the allowance for doubtful accounts was $10,000 and $0, respectively.

Conditional contributions receivable are recognized when the conditions on which they depend are substantially met.

Government Grants Receivable

Government grants receivable consist of amounts due under agreements with federal and state agencies reduced by the estimated portion that is expected to be uncollectible. The Organization uses the allowance method to record uncollectible government grants receivable. The allowance is based on prior years' experience and management's analysis of specific amounts. As of December 31, 2025 and 2024, no allowance for credit losses was recorded.

The Organization's government grant revenues are derived from federal and state grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific grant or contract provisions. The Organization received grants totaling $230,726 and $266,374 that have not been recognized at December 31, 2025 and 2024, respectively, because the qualifying expenditures have not been incurred.

Note 1 - Significant Accounting Policies (continued)

Inventory

Inventories are valued at the lower of cost or net realizable value on a first-in, first-out basis.

Property and Equipment

Property and equipment is stated at cost or fair market value at the date of contribution, if donated. Maintenance items of a routine nature are expensed as incurred, whereas those which improve or extend the lives of existing assets are capitalized. When items of property and equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts, and any gain or loss is included in income. Depreciation is provided on the straight line method over the estimated useful lives of the assets which range from 3 to 10 years.

GAAP requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment, which is determined based upon the estimated fair value of the asset, is recorded when estimated undiscounted cash flows expected to be generated by the asset are insufficient to recover its net carrying value. Management has determined that no impairment of its long-lived assets is deemed necessary at December 31, 2025 and 2024.

Lease Accounting

The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the Statement of Financial Position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. The Organization has elected to use a risk-free rate in determining the present value of the lease. Lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Revenue Recognition

Food Service Revenue

Food service revenue consists of food and beverage sales and catering revenue. Food and beverage sales are recognized at the point of sale. Catering revenue is recognized at time of the event.

Note 1 - Significant Accounting Policies (continued)

Revenue Recognition (continued)

Contribution Revenue

Contributions are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution contains a donor or grantor condition when both of the following are present:

- An explicit identifying of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized.

- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met.

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when awarded.

Unconditional or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

Grant Revenue

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

Grant Awards that are Contributions - Grant awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized when the award is received. Amounts received in which conditions have not been met are reported as a refundable advance liability.

Grant Awards that are Exchange Transactions - Exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. Revenue is recognized when control over the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as a contract liability.

Note 1 - Significant Accounting Policies (continued)

Revenue Recognition (continued)

In-Kind Contributions

Donated goods are reflected as contributions in the financial statements at their estimated fair values at the date of donation. Donated services are recognized as contributions in accordance with GAAP for Not-for-Profit Organizations if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Functional Expense Allocation

The Statement of Functional Expenses report certain categories of expenses that are attributed to more than one program or supporting function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries and wages, payroll taxes and benefits, depreciation, insurance, utilities, office supplies and expenses, and rent which are allocated on the basis of estimated time and effort.

Subsequent Events

In preparing its financial statements, the Organization has evaluated subsequent events through May 18, 2026, which is the date the financial statements were available to be issued. Management of the Organization has not identified any material subsequent events that require reporting or disclosure.

Note 2 - Liquidity and Availability of Financial Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following as of December 31, 2025 and 2024:

	2025	2024
Cash	$ 327,251	$ 157,594
Government grants receivable	275,101	132,673
Contributions receivable, net	53,440	83,962
Total Financial Assets	655,792	374,229
Less:		
Board designated funds	312,000	312,000
Total Financial Assets Available for General Expenditure	$ 343,792	$ 62,229

Note 2 - Liquidity and Availability of Financial Resources (continued)

The Organization does not have a formal liquidity policy. The Organization invests its financial assets in a manner consistent with the concept of prudent money management seeking maximum returns with reasonable levels of risk.

The Organization has board-designated assets of $312,000 designated for various reserves as of December 31, 2025 and 2024. Although the Organization does not intend to spend from these board designated funds other than for the designated purpose, these amounts could be made available if necessary.

Note 3 - Concentration of Credit Risk and Revenue Sources

Since the Organization periodically places cash in individual financial institutions in excess of FDIC-insured limits, the Organization periodically reviews the financial condition of the financial institutions to reduce the Organization's credit risk associated with cash. Additionally, the Organization places its cash with high credit quality financial institutions.

Credit risk associated with contributions and grants receivable is limited due to the number and creditworthiness of the entities from which the amounts are due. The Organization receives virtually all its revenue from public support and government grants. A significant reduction in the level of support, if this were to occur, may have an adverse effect on the Organization's programs and activities.

As of December 31, 2025 and 2024, 66% and 61% of contributions and grants receivable, respectively, was due from two grantors for each year. For the years ended December 31, 2025 and 2024, 61% and 29% of revenue was due from two grantors for each year.

Note 4 - Property and Equipment

Property and equipment consist of the following at December 31, 2025 and 2024:

	2025	2024
Furniture, fixtures and equipment	$ 333,387	$ 276,565
Vehicles	207,605	231,516
	540,992	508,081
Less: accumulated depreciation	459,805	424,832
Property and Equipment, Net	$ 81,187	$ 83,249

Depreciation expense for the years ended December 31, 2025 and 2024 was $34,974 and $35,268, respectively.

Note 5 - Line of Credit

In January 2025, the Organization entered into an agreement with a bank for a revolving line a credit with a line amount of $150,000. The line bears interest at the SOFR rate plus 3.5% and matures in April 10, 2026. The line is secured by business assets. As of December 31, 2025, no amounts were outstanding on the line.

Note 6 - Note Payable

On March 29, 2024, the Organization entered in an agreement for an unsecured note payable with a private foundation in the amount of $50,000. The note bears interest at 2.50% and matures on March 30, 2029. Quarterly payments of $3,294 are required throughout the term of the note. As of December 31, 2025 and 2024, the balance was $41,113 and $50,000, respectively.

Future minimum annual payments are as follows for the years ended December 31:

	December 31,
2026	$ 12,264
2027	12,574
2028	12,891
2029	3,384
Total Future Payments	$ 41,113

Note 7 - Operating Lease Commitments

In December 2023, the Organization entered into an agreement to lease office and kitchen space from an unrelated party under an operating lease requiring monthly payments which escalated from $7,000 to $8,000 over the term of the lease. In May 2025, the Organization amended the lease to add additional space and extend the maturity to May 31, 2026. The amended agreement requires monthly payments which escalates from $13,100 to $14,000 over the term of the lease.

The ROU asset reflected on the Statement of Financial Position represents the Organization's right to use underlying assets for the lease term, and the lease liability reflected on the balance sheet represents the Organization's obligation to make lease payments arising from these leases. The ROU asset and lease liability, which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The Organization has elected to use a risk free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted-average discount rate applied to calculate lease liability was 5.33% each year. The weighted-average lease term remaining at December 31, 2025 and 2024 was 5 and 11 months, respectively.

Note 7 - Operating Lease Commitments (continued)

Future minimum rent payments due under all operating leases are as follows:

	2025
Total remaining lease payments due in 2026	$ 70,000
Less: present value discount	(594)
Operating Lease Liability	$ 69,406

Lease costs consisted of the following for the years ended December 31, 2025 and 2024:

	2025	2024
Operating lease costs	$ 172,996	$ 89,824
Variable lease costs	9,387	-
	$ 182,383	$ 89,824

Note 8 - Net Assets

Board Designated Net Assets

The Board of Directors has designated the following funds as of December 31, 2025 and 2024:

	2025	2024
Operating reserve	$ 227,000	$ 227,000
Fixed asset replacement reserve	75,000	75,000
Fixed asset acquisition reserve	10,000	10,000
Total	$ 312,000	$ 312,000

Operating reserve – Approximately three months of operating expenditures, to be held in the event of a revenue shortfall or other unforeseen extraordinary occurrences.

Fixed asset replacement reserve - Funds designated for the replacement of equipment, software, or leasehold improvements, as deemed necessary.

Fixed asset acquisition reserve - Funds designated to acquire equipment, software, and leasehold improvements which are not replacements of existing equipment, software, or leasehold improvements.

Note 7 - Net Assets (continued)

Net Assets with Donor Restrictions

As of December 31, 2025 and 2024, net assets with donor restrictions were $53,440 and $83,962, respectively, and were time restricted.

Note 9 - In-Kind Contributions

In-kind contributions included in the financial statements are as follows for the years ended December 31, 2025 and 2024:

	Valuation Methodology	2025	2024
Donated services	Market value of services rendered	$ 11,180	$ -
Vendor rebates	Estimated market value	-	12,000
		$ 11,180	$ 12,000

Note 10 - Related Party Transactions

During the year ended December 31, 2025, the Organization paid $19,200 for consulting services to a company owned by a Board member.

Note 11 - Reclassifications

Certain prior year amounts were reclassified to conform to the current year presentation.